

**Nebraska
Department of Revenue**

**SOFTWARE SPECIFICATIONS
BULLETIN 3**

**UPDATE TO
PUBLICATION 1346N
FOR
TAX YEAR 2005**

November 17, 2005

This document supplements Nebraska Publication 1346N, and is intended to notify software developers in the Federal/State Electronic Filing Program of changes to original specifications releases.

TAX YEAR 2005 BULLETIN #3

Generic Record Specifications Changes Since the revisions outlined in Bulletins #1 and 2:

These are corrections to the November 2005 final as of November 17, 2005. Any further changes will be provided with additional bulletins if needed.

ERROR IN FORM 1040N LINE REFERENCES

Form 1040N Lines 12 and 13 (Seq. Numbers 0380 and 0385) incorrectly said to bring Schedule I lines 45 and 53 forward to these fields. The correct line references should be lines 46 and 54. Here is what the updated specs look like:

0380	ADJUSTMENTS INCREASING FEDERAL AGI	12	12	num. 0-9 (+ only)	Optional. If Schedule Indicator equals '1', '4', or '5', must equal value of Schedule I, Line 46 . (Blank if Special Instructions Box = '1'). Blank if it is a Form 1040NS.
	g380_adjin				
0385	ADJUSTMENTS DECREASING FEDERAL AGI	13	12	num. 0-9 (+ only)	Optional. If Schedule Indicator equals '1', '4', or '5', must equal value of Schedule I, Line 54 . (Blank if Special Instructions Box = '1'). Blank if it is a Form 1040NS.
	g385_adjde				

CLARIFICATION FOR REJECT CODE 0021

A question was posted asking if it is a requirement that decedent returns be for refunds only. The thing we are trying to avoid is situations where the return would need a Nebraska Form 1310N, proof of death, or a certificate of appointment as personal representative. We do not support these forms in e-file. It really does not matter that it is a refund vs. a balance due. When it is a married filing joint return filed by the surviving spouse, these documents are typically not needed. If a surviving spouse is incapacitated but still alive, they could have a power of attorney for someone to file the return without a need for additional documentation for a refund. However, if a spouse was surviving at the end of the tax year but deceased the following year prior to the filing of the return, then additional documentation would be necessary for a refund. There is no way for us to identify that condition on an electronic return, so we are hopeful that developers and EROs will understand this rule and enforce it at the time of preparation. The reason we had the refund language in our specs is because in the big majority of cases, these are refund returns. In fact, that is not a requirement. The real issue here is who signs the return. This must be the surviving spouse, and the date of death must fall into the proper tax period. To this end, we will also have to correct our Reject Code Listing to remove the language about refunds to read as follows:

0021	1040N	If the Date of Death is present; the Filing Status must equal 2 (Married Filing Joint), only one date (either Primary or Spouse) can be present, and this date must	n/a	0062 0068
★				

NEW equal the current tax year or the current tax year plus
1.

Also note that this reject code incorrectly referenced Filing Status as being 1 for Married Filing Joint, when it should have been 2.

ERROR IN TAX RATE SCHEDULE

A figure listed in our Tax Rate Schedule was incorrect. This value was erroneously shown for the Married Filing Separate calculation as \$73,035 when it should have been \$70,035 for the excess amount. The corrected value is shown below.

MARRIED FILING SEPARATE

IF TAXABLE INCOME IS:

THE NEBRASKA TAX IS:

OVER -

BUT NOT OVER

\$ 0

\$ 2,000

\$

2.56% OF THE INCOME

\$ 2,000

\$ 15,000

\$51.20 +

3.57% OF THE EXCESS OVER \$2,000

\$15,000

\$ 23,375

\$515.30 +

5.12% OF THE EXCESS OVER \$15,000

\$23,375

\$ 70,035

\$944.10 +

6.84% OF THE EXCESS OVER \$23,375

\$70,035

\$ ---

\$4,136.00 +

6.84% OF THE EXCESS OVER **\$70,035**